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# PITTSBURGH INTERNATIONAL AIRPORT

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December 20, 2002

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DEPT OF TRANSPORTATION

Docket Management System  
U.S. Dept. of Transportation  
Room Plaza 401  
400 Seventh St., SW  
Washington, DC 20590-0001

ATTN: Docket No. FAA-2002-13918 - 16

RE: **Public Comment on Proposed Revisions to 14 CFR Sec. 158.53 – Passenger Facility Charge Rule for Compensation to Air Carriers – Notice of Proposed Rulemaking (NPRM), Notice No. 02-19 (67 FR 229 p. 70878, Nov. 27, 2002)**

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To Whom It May Concern:

This letter and the enclosure constitute the original and one copy of the comments of the Allegheny County Airport Authority (ACAA) on the above-referenced proposed revisions to the FAA regulations for the Passenger Facility Charge (PFC) program. ACAA is the sponsor of Pittsburgh International Airport, Pittsburgh, PA, for which there is a currently approved PFC program. ACAA is generally in favor of a revision to the “collection compensation amount” in 14 CFR Sec. 158.53 (Sec. 158.53) to comply with the authorizing legislation at 49 U.S.C. Sec. 40117(i)(2)(C) (hereinafter referred to as subpara. C). Based on the Supplementary Information provided in the NPRM, the revised collection compensation amounts of \$0.10 per PFC from the effective date of the future final rule through calendar year 2004 and then \$0.11 per PFC thereafter are appropriate and authorized.

Substantive Comment:

HOWEVER, THE APPLICATION OF SUCH AMOUNTS OF \$0.10 AND \$0.11 TO ANY PFC'S COLLECTED BUT NOT REMITTED TO THE AIRPORT, OR EVEN THE CONSIDERATION OF ANY EXPENSES OF AIR CARRIERS OR THEIR AGENTS ASSOCIATED WITH THE COLLECTION OR HANDLING OF ANY PFC'S THAT ARE NOT REMITTED TO THE AIRPORT IN THE CALCULATION OF SUCH AMOUNTS, IS NEITHER APPROPRIATE NOR AUTHORIZED BY SUBPARA. C, THE ENABLING LEGISLATION FOR THIS REGULATION.

Discussion in Support of Substantive Comment:

Subpara. C provides that: *the Secretary shall prescribe regulations that shall –*

***“ensure that the money, less a uniform amount the Secretary determines reflects the average necessary and reasonable expenses (net of interest accruing to the carrier an agent after collection and before remittance) incurred in collecting and handling the fee, is paid promptly to the eligible agency for which they are collected.”*** (bold and underline added for discussion herein)

The Supplementary Information provided in the NPRM provides data to support the increase in the amount of the “collection compensation amount” based on only the portion of the language in the enabling legislation (subpara. C) which is in bold above. Such language, however, is only a subphrase within the main phrase of subpara. C (underlined above) which is specifically requiring that “the money, ..., is paid promptly to the eligible agency for which they are collected.”

The necessary and reasonable expenses to be considered under the express language of subpara. C are only to be those associated with “the money that is to be paid promptly to the Airport for which it is collected”. The effect of considering the expenses of the air carriers and their agents associated with the collection of PFC’s which are not paid to the Airports, or of the application of the “collection compensation amount” to any PFC’s collected but not paid to the Airports, is to, in some situations, assess the Airports a “collection compensation charge” for a PFC that the Airport never receives. In such a case, the result of a business transaction between an air carrier and a prospective passenger who never ends up departing from an Airport is that the Airport is still charged a collection compensation amount by the air carrier. This result is not authorized by the express language of subpara. C, since there is never a payment to the Airport from which to withhold the necessary and reasonable expenses. A further increase in the collection compensation charge on only those PFC’s remitted to the Airports, to reimburse air carriers for expenses associated with the PFC’s that are not remitted, is also not appropriate or authorized by subpara. C since it is just an indirect charge to the Airports in lieu of a direct charge which is not authorized.

When a PFC is collected by an air carrier from a prospective passenger but is not remitted to the Airport due to a change in the passenger’s itinerary, whether such change is initiated by the air carrier or the passenger, the Airport should not be assessed, either directly or indirectly, any “handling charge” for that PFC since no PFC was ever received by the Airport. In any case, the change in the itinerary was not caused by the Airport. Whether the air carrier’s costs associated with such transaction is absorbed by the air carrier or in some way charged, or withheld from a refund, to the passenger, is up to the air carrier’s policy. Again, in any case, such transaction is just between the air carrier and the prospective passenger without any involvement before, during, or after the fact by the Airport. In such situation, the Airport has not provided any service to the prospective passenger, nor has the air carrier provided any PFC to the Airport. To charge the Airport for the air carrier’s expenses in such situation is not only contrary to the provision of subpara. C but inherently unfair to the Airport.

Recommended Change to Proposed Regulation Revision to Comply with Authorizing Legislation -

Amend Sec. 158.53 by revising the introductory text and paragraph (a) to read as follows:

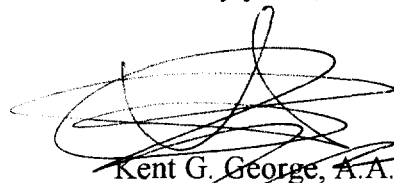
*Sec. 158.53 Collection compensation.*

*As compensation for collecting, handling, and remitting the PFC revenue, the collecting carrier is entitled to:*

*(a) Retain \$0.10 of each PFC **remitted** on or after (the effective date of the final rule) and before January 1, 2005, after which carriers are entitled to \$0.11 of each PFC **remitted**;*

Thank you for your anticipated thoughtful consideration and favorable response to this comment.

Sincerely yours,



Kent G. George, A.A.E.  
Executive Director  
Allegheny County Airport Authority

1 encl.

cc (w/o encl.): Mr. Joseph Hebert, APP-530

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